GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:656
ANSWERED ON:26.02.2016
Activities by Companies under CSR
Choudhary Col. (Retd) Sona Ram;Dubey Shri Nishikant ;Kodikunnil Shri Suresh;Meghwal Shri Arjun Ram ;Puttaraju Shri C.S.;Raghavan Shri M. K.;Ram Shri Vishnu Dayal;Shekhawat Shri Gajendra Singh;Sonkar Shri Vinod Kumar;Tumane Shri Krupal Balaji

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government has notified Corporate Social Responsibility (CSR) policy norms under the Companies Act, 2013, if so, the details and salient features thereof;

(b) the details of expenditure incurred and work done by the public sector undertakings (PSUs) and private companies since the inception of the Companies Act, 2013, company-wise and state/UT-wise;

(c) whether any irregularities have come to the notice of Government with regard to execution of CSR, if so, the details thereof along with action taken by the Government against those companies;

(d) whether the Government has set up any monitoring mechanism to monitor the activities and utilization of funds by the companies under CSR, if so, the details thereof; and
Contâ€¦.p2/-

(e) whether the Government has taken note that the assistance of public representatives is not sought while selecting activities by companies under CSR; if so, the details thereof and corrective measures taken by the Government in this regard?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY)
???????? ????? ?????? (???? ???? ?????)

(a): Yes Madam. The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules made thereunder have been notified on 27.02.2014. These notifications are available on the Ministry's website (www.mca.gov.in). The salient features of CSR provision inter-alia, are as follows:
â€¢ companies above the specified threshold of turnover or net worth or net profit are required to spend at least two per cent of their average net profits earned during three immediately preceding financial years on CSR activities;
â€¢ each such company is required to constitute a CSR committee of the Board;
â€¢ the Board of each such company is required to have the company's CSR policy formulated and monitor its implementation;
â€¢ the Board"s report shall include an annual report on CSR containing particulars specified in prescribed format;
â€¢ the Board's report shall specify the reasons for not spending the specified amount, if the company fails to spend such amount;
â€¢ companies may implement their CSR Policy through trusts or societies or Section 8 companies etc.;
â€¢ indicative activities which can be undertaken by a company under CSR have been specified in Schedule VII of the Act;
Contâ€¦.p3/-

(b) : CSR expenditure of 460 listed companies, which have placed their annual reports on their website, indicates that 51 Public Sector Undertakings (PSUs) and 409 private sector companies together spent about Rs. 6337 crores on CSR during 2014-15 as summarized below:

Sl. No.	Company Type	No. of companies	Actual CSR expenditure (in Rs. Crore) (2014-15)
1.	PSUs	51	2386.60
2.	Private Sector Companies	409	3950.76
Total		460	6337.36

Of these 460 companies, company-wise CSR expenditure of top 20 companies may be seen at Annexure − I. State /UT-wise number of CSR projects undertaken is at Annexure −II. Information on CSR expenditure on various developmental work by companies is at Annexure- III.
(c) to (e) : As per Section 135 (3) & (4) of the Companies Act, 2013 Board of the company is empowered to select programmes / projects / activities to be undertaken and monitor the same. Ministry of Corporate Affairs has no role to play in this regard.

******